

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Kentucky Manufacturing Company

Kentucky Manufacturing Assistance Center

Kentucky Trailers Are "Moving Ahead" Using Lean Manufacturing

Client Profile:

Kentucky Manufacturing, located in Louisville, Kentucky has been creating custom vans for the transportation industry for over 70 years. Today, the company is the industry leader in high cubic capacity moving and storage vans and its "Kentucky Trailer" product name has become synonymous with moving vans. Now, the firm is working to stay ahead of the competition by creating the next generation of high-tech racing vans and exhibit trailers. Kentucky Manufacturing employs 400 people.

Situation:

Kentucky Manufacturing was challenged to meet a growing demand for trailers as well as increased customization needs of customers such as flooring, roof packages, lighting, and other options. In order to be able to respond effectively to these market demands, company management wanted to improve the efficiency of their production processes and chose to work with the Kentucky Manufacturing Assistance Center (KMAC), a NIST MEP network affiliate, to implement Lean manufacturing techniques.

Solution:

KMAC and Kentucky Manufacturing used Value Stream Mapping to identify non value-added activities such as underutilized labor, unbalanced workloads and lack of standardization as major hindrances to the efficiency of production. Then, using the Future State Map, KMAC taught Kentucky Manufacturing employees how to apply Lean techniques to significantly improve the operation. Based on prioritized improvements identified in two mapping events, KMAC led Kentucky Manufacturing teams in several multi-day Kaizen events. KMAC's Lean expert also helped Kentucky Manufacturing employees define and lead Kaizen events on their own. Through this project, Kentucky Manufacturing applied Lean techniques such as Point of Use Storage and Cellular Flow. As a result, the company has been able to take on additional orders and increase products.

Results:

- * Increased sales by \$4 million.
- * Realized \$200,000 in cost savings.
- * Invested \$280,000 in capital expenditures.
- * Realized \$2 million in cost savings.

Testimonial:

"Working with the Kentucky Manufacturing Assistance Center and using Lean techniques has enabled Kentucky Manufacturing to fill orders in less time and really utilize the skills and talents of our employees. The time we spent on Value Stream Mapping and Kaizen improvement events has really paid off. Our people spend less time searching for parts and are able to communicate better with one

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another. KMAC has played a pivotal role in increasing the efficiency of our production process."
Larry Roy, Executive Vice President & CFO